FEB 2 8 1952

General Walter Bedell Smith Director of Central Intelligence Washington, D. C.

Dear General Smith:

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I am attaching a report prepared by my staff on the meeting which called at the White House last Monday regarding PSB's interest in some aspects of which I think we may wish to discuss at lunch today.

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If Mr. Harriman's decision is in the negative, the Board should then decide whether to approach the President with the thought that he might wish to override Mr. Harriman's decision, or whether the Board should merely prepare to backstop MSA's presentation on this subject to the appropriate Congressional committees. If his decision is in the affirmative, the Board should, I assume, be ready to assist MSA in justifying before Congress the prior transfer of funds.

In addition, there is the additional pressing problem of securing an appropriation for the continuation of the Phase A program during calendar year 1953 and, as required, of obtaining authorizing legislation with appropriation for such approved actions growing out of our Phase B study, having to do with any new military or non-military

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I suggest that at lunch we discuss, again, these two general problems for the purpose of agreeing upon specific courses of action. In addition to having word as to Mr. Harriman's decision

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on the transfer of the transfer of the Bureau of the Budget as to the role which MSA, PSB, or its member agencies should play in drafting any new legislation which is required.

Sincerely yours,

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Attachment

Copy of report on meeting at White House with Messrs.

dtd 2/26/52,

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